

STATE OF FLORIDA
SECOND BIENNIAL REPORT
OF THE
MALT AND VINOUS AND STATE
BEVERAGE DEPARTMENT
MADE TO
HIS EXCELLENCY
FRED P. CONE
GOVERNOR OF THE STATE OF FLORIDA



JOHN N. ALLEN,
Director

Tallahassee, Florida

F351.761S
R611
1935-1936

STATE OF FLORIDA
SECOND BIENNIAL REPORT

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To His Excellency,

FRED P. CONE,

Governor of the State of Florida:

I beg to hand you herewith a report of the Malt and Vinous Beverage Department for period of January 1, to June 26, inclusive, 1935, and the State Beverage Department for period of June 27, 1935, to and including September 30, 1936.

Hon. J. A. Cormier and Hon. Geo. O. Weems each served as Director during the time covered by this report.

Respectfully submitted,

JOHN N. ALLEN,

Director.

Past and Present Directors Of This Department

Hon. J. A. Cormier—July 1, 1933 to Sept. 30, 1935.

Hon. Geo. O. Weems—Oct. 1, 1935 to Jan. 10, 1937.

Hon. John N. Allen—Jan. 11, 1937 to—————

**REPORT OF THE MALT & VINOUS AND STATE
BEVERAGE DEPARTMENT
STATE OF FLORIDA**

During the period covered by this report, January 1, 1935 to and including September 30, 1936, this Department operated either wholly or in part under two names: MALT AND VINOUS BEVERAGE DEPARTMENT and STATE BEVERAGE DEPARTMENT; and under three Laws—Chapter 15,884, Acts of 1933, commonly called the “BEER LAW”, Article XIX of the State Constitution, adopted November 4, 1934, and Chapter 16,774, Acts of 1935. From January 1 to May 26, 1935, the Department was known as the MALT AND VINOUS BEVERAGE DEPARTMENT, since that time it has been the STATE BEVERAGE DEPARTMENT, the name given it by law.

*The present Law under which this Department is operating was approved May 27, 1935, and the provisions of same requiring Revenue Stamps to be placed on all spirituous beverages containing more than 14% alcohol by weight became effective June 26, 1935. This meant that all stock on the floor and shelves of the numerous retailers throughout the State must be stamped as of that date. This was accomplished with a maximum of efficiency and a minimum of confusion.

Chapter 16,774, Acts of 1935, which created this present Department also outlined its duties, which are “To supervise the conduct, management and operation of the sale within the State of all beverages containing more than 1% of alcohol by weight”; (the Law provides that its Provisions shall not apply to Ethyl Alcohol intended and used for certain purposes); “To inspect the premises of all licensees, to collect taxes and remit them to the officers entitled to them and to examine the books and records of all licensees”. Our supervisors shall require strict compliance of the Law by all licensees, and they “shall have all the powers of

Deputy Sheriffs in the enforcement of the beverage Laws of this State, and in the prosecution of offenders against such Laws." We are also "Vested with authority to enforce the Provisions of this Act and to perform such other Acts as may be necessary to carry out the provisions of this Act."

The Law provides that the total number of employees, including the Director, shall not exceed forty persons. This provision has been strictly complied with.

The appropriation for salaries and expenses of the Department is made from funds collected by it, but "Shall in no event exceed in any year 8% of the taxes collected hereunder during said year." This is not a continuing appropriation. We have never spent all of the 8%. At the end of the first year we paid into General Revenue Fund approximately \$4500.00 of this 8% Fund, and this, despite the fact that we had to purchase a stock of Revenue Stamps, pay office rent and equip the office with furniture, etc. This amount will be much greater at the end of the second year.

The Director is under a \$200,000.00 Surety Bond and each employee is under a \$5,000.00 Surety Bond except the Supervisors in charge at Jacksonville and Miami who are under a \$25,000.00 Surety Bond and the Supervisor in charge at Tampa is under a \$15,000.00 Surety Bond, all written by Surety Companies authorized to do business in Florida.

We found it expedient to establish branch revenue stamp sales offices in the above named three cities, therefore, placed the Supervisor in charge of these offices under a bond that would always fully protect the State in an amount greater than the maximum sales value of the stamps and money in his possession.

Before obtaining a license, all wholesalers are required to file a Surety Bond and have their application for said

license approved by the Board of County Commissioners and the Director, and every applicant for a license to retail spirituous beverages containing more than 14% of alcohol by weight must also have his application approved as above. There has been no application for wholesale license disapproved and only six applications for retail licenses disapproved.

Section 1 of the Law gives the Director "Full power and authority upon sufficient cause appearing" to revoke licenses. To date, there have been no licenses revoked.

All licensees having a license authorizing them to sell at wholesale or to manufacture Malt and Spirituous Beverages containing less than 14% of alcohol by weight and wines regardless of alcoholic content are required to file monthly reports of all purchases, sales, etc., and to pay the excise tax prescribed by the Law on all taxable sales made during the month. Such wholesalers are required to post a Surety Bond in an amount sufficient to protect the State with a maximum of \$5,000.00 for wholesalers and wine manufacturers and a maximum of \$10,000.00 for Breweries. Each such licensee has posted an approved bond as required by Law.

Some of the Distributors in the State disputed our authority to collect excise tax on malt and vinous beverages containing more than 3.2% of alcohol by weight under the provisions of Article XIX of the State Constitution, which was approved by the people November 4, 1934, and Chapter 15,884 Acts of 1933, with the result that several of them stopped paying the excise tax. After repeated demands for payment were refused, suit was instituted against one of them and the Company who had written their Bond. However, a settlement was effected Aug. 15, 1936, and payments are being made promptly in accordance with the agreement. The expense of this suit was 8% of the amount involved. After this settlement was effected the others decided to pay without suit and without expense. (See Schedule "H").

All spirituous beverages containing more than 14% of alcohol by weight are required to be stamped by stamps sold by this Department and representing the payment of a tax at the rate of Eighty (.80c) Cents per gallon, if sold for consumption in the State. This stamp must be placed on the immediate container of such beverages by the wholesaler at the time of sale and before delivery to the retailer. If sold for consumption without the State, the rate is Twenty-four (.24c) Cents per case. There is no apparent indication that this part of the Law is being violated by our wholesalers.

The greatest problem facing this Department is the suppression of the manufacturing and selling of illicit liquor, commonly known as "Moonshine." The men used in this type of work should be fearless, of sound judgment and should have had experience as a Law Enforcement Officer. We have a few such men, but not enough to keep violations to a minimum. Most of the time, the State men used in this work assist and are assisted by Federal men connected with the Alcoholic Tax Unit, Coast Guards, Customs, and Border Patrol, mostly by Alcoholic Tax Unit Men. Co-operation between the Federal Authorities and this Department is 100%. The constant increase in results obtained by our men in this work is evident of the fact that "Training Counts." Schedule "L" gives the results since we actively started this work, which was about nine months ago.

All Supervisors not used as outlined above are located in different sections of the State and have a definite territory to cover. Their main duties are keeping careful check on the licensees to see that they comply with the Law; to receive and check all complaints; apprehend those selling without a license; ascertain location of "moonshine stills" and report them to the office and be of assistance to Tax Collectors in collecting beverage licenses and to Sheriffs and Constables in enforcing the Law. There were

7,501 licenses issued the past fiscal year ending September 30, 1936, all of which received careful supervision.

The Department has three Auditors who make periodical audits of the books and records of Manufacturers and Wholesalers to see that they make proper accounting to the State for all beverages handled by them. We find that these Manufacturers and Wholesalers keep ample and accurate records, which permits them to make correct reports to this Department.

The County Tax Collectors of the State are required to collect the State's part of the Beverage license Tax, make reports to this Department in detail and remit each month. This they do regularly.

Our Branch Stamp Sales Office in Jacksonville, Tampa, Key West and Miami are required to report and remit each week. Their accounts are audited regularly. All of those who are authorized to purchase stamps that do not buy through the above branches, order direct from the main office. Supervisors who sell stamps at these branches are under adequate Surety Company Bond.

All funds received by us are deposited with the State Treasurer in a "Collection Account" daily. This is a temporary account where the fund is held until all checks are finally collected. Distribution of these funds from the temporary account to the State Funds authorized by Law to receive them are made on an average of three times per month.

The State Auditor has the following to say about the books and records of the Department.

"The records of the State Beverage Department were found to be adequate and accurate." and "All funds received during the audit period were found to have been remitted to the State Treasurer and properly distributed."

Owing to the lack of room and proper facilities in the Capitol Building, we were forced to rent an office and were very fortunate in obtaining the ground floor of the Midyette-Moor Building, which was formerly a bank and contains the required vault space in which to house the stock of stamps necessary to be kept on hand.

All stamps are shipped by express and are fully insured.

All automobiles and trucks transporting more than twelve bottles of beverages at one time are required to have attached to them a "Beverage Vehicle Tag" furnished by this Department at a cost of \$1.00 each. See Schedule "I".

Basically, our Beverage Law is sound but sixteen months of operation has shown that some additions are necessary to enable the Department to better serve the State and the Industry. These additions are mainly to put "Teeth" into the Law. The changes and additions we deem advisable will be submitted to you under separate cover.

The Following Schedules Are Attached Herewith and Made a Part Of This Report:

- Schedule "A" —Number of Licenses issued by Counties and the amount received for same for license year 1935.
- Schedule "B" —Number of Licenses issued and the amount received for same for License year 1935-1936.
- Schedule "B-1"—Resume of Schedule "A".
- Schedule "C" —Total Taxable sales of Beer, Wine and Spirituous beverages containing less than 14% of alcohol by weight, showing number of bottles and gallons sold and the amount of excise tax received on same for calendar year of 1935.
- Schedule "D" —Same as Schedule "C" except for the first nine months of 1936.
- Schedule "E" —Comparison of sales of Beer, Wine and Spirituous beverages containing less than 14% of alcohol by weight, made the first 6 months of 1935 and 1936.
- Schedule "F" —Statement showing payments made for revenue stamps ordered.
- Schedule "F-1"—Statement showing number of revenue stamps ordered and received.
- Schedule "G" —Statement of expense of Malt and Vinous Beverage Department under Chapter 15,884, Acts of 1933, and
- Schedule "G-1"—Statement of expense of State Beverage Department under Chapter 16,774, Acts of 1935.
- Schedule "H" —Statement of "Accounts Receivable."
- Schedule "I" —Sale of "Beverage Vehicle Tags."
- Schedule "J" —Consolidated financial statement.
- Schedule "K" —Sale of Spirituous beverages, In-State and Out-of-State.
- Schedule "L" —Results of enforcement efforts against moonshiners and bootleggers of moonshine only, for nine months.

SCHEDULE "A"

STATE BEVERAGE LICENSES ISSUED FROM JANUARY 1st, TO SEPT. 30, 1935, under Chapter 15,884, Acts of 1933, Known as "Beer Law."

County	Retailers	Wholesalers	Manufacturers	Amount
Alachua	54	3		\$ 1,650.00
Baker	6			85.00
Bay	42	1		875.00
Bradford	6			105.00
Brevard	41	1		985.00
Broward	96	1		2,270.00
Calhoun	10			155.00
Charlotte	11			205.00
Citrus	16			300.00
Clay	6			100.00
Collier	26			485.00
Columbia	24	1		597.50
Dade	647	11	1	17,762.50
Desoto	13	1		565.00
Dixie	8			130.00
Duval	373	8	1	10,115.00
Escambia	101	6	1	4,015.00
Flagler	14			270.00
Franklin	15			305.00
Gadsen	23			505.00
Gilchrist	5			85.00
Glades	10			162.50
Gulf	1			15.00
Hamilton	8			150.00
Hardee	22			370.00
Hendry	11			250.00
Hernando	11			235.00
Highlands	19			375.00
Hillsborough	421	6	3	11,577.50
Holmes	14			177.50
Indian River	18			327.50
Jackson	39			730.00
Jefferson	6			115.00
LaFayette	4			60.00
Lake	51	1		1,200.00
Lee	49	1		1,310.00
Leon	45	4		1,865.00
Levy	19			325.00
Liberty	4			65.00
Madison	16			285.00
Manatee	61	1		1,487.50
Marion	43	1		1,035.00
Martin	20			410.00
Monroe	73	1		1,465.00
Nassau	26			460.00
Okaloosa	31	1	1	922.50
Okeechobee	6			95.00
Orange	125	4	1	4,450.00
Osceola	20			440.00

(SCHEDULE "A" CONTINUED)

County	Retailers	Wholesalers	Manufacturers	Amount
Palm Beach	193	3		4,770.00
Pasco	23			465.00
Pinellas	231	1		4,935.00
Polk	147	2		3,200.00
Putnam	31			610.00
St. Johns	46			1,262.50
St. Lucie	27	2		1,005.00
Santa Rosa	18			265.00
Sarasota	51	1		1,350.00
Seminole	36	1		900.00
Sumter	15			250.00
Suwannee	14			212.50
Taylor	19			365.00
Union	2			30.00
Volusia	155	5		4,580.00
Wakulla	15			235.00
Walton	20			355.00
Washington	9			195.00
	3,762	68	8	\$96,910.00

Total Retail Licenses Issued3762

Total Wholesale Licenses Issued 68

Total Manufacturer's Licenses Issued 8

GRAND TOTAL3,838

SCHEDULE "B"

STATE BEVERAGE LICENSES ISSUED FROM OCTOBER 1, 1935 TO SEPTEMBER 30, 1936

UNDER CHAPTER 16,774, ACTS OF 1935, KNOWN AS THE "LIQUOR LAW"

COUNTY	Total Amount	RETAILERS			WHOLESALEERS			MANUFACTURERS			
		BEER & WINE		LIQUOR	Beer No. of Licenses	B. & W. No. of Licenses	Liquor No. of Licenses	Beer No. of Licenses	Wine No. of Licenses	Dist'ls No. of Licenses	Rectifiers No. of Licenses
		Number of Licenses	Pkge. Store Number of Licenses	Consumption on Premises No. Licenses							
Alachua	\$ 2,587.50	118	---	---	7	---	---	---	---	---	---
Baker	667.50	16	2	1	---	---	---	---	---	---	---
Bay	5,190.00	92	3	12	---	5	---	---	---	---	---
Bradford	272.05	28	---	---	---	---	---	---	---	---	---
Brevard	4,959.57	65	1	15	---	1	---	---	---	---	---
Broward	9,056.25	140	10	19	---	2	---	---	---	---	---
Calhoun	565.00	18	3	---	---	---	---	---	---	---	---
Charlotte	1,440.84	16	1	6	---	---	---	---	---	---	---
Citrus	1,528.75	22	4	4	---	---	---	---	---	---	---
Clay	181.25	19	---	---	---	---	---	---	---	---	---
Collier	2,225.84	26	3	8	---	---	---	---	---	---	---
Columbia	3,358.75	47	7	6	---	---	---	---	---	---	---
Dade	159,357.13	1185	54	160	1	10	11	3	---	---	1
DeSoto	375.00	22	---	---	1	---	---	---	---	---	---
Dixie	1,237.50	20	1	5	---	---	---	---	---	---	---
Duval	77,926.26	622	24	74	---	13	6	1	3	---	---
Escambia	19,521.25	234	4	20	---	6	4	1	---	---	---
Flagler	348.75	18	1	---	---	---	---	---	---	---	---
Franklin	1,836.25	20	3	5	---	---	---	---	---	---	---
Gadsden	566.25	22	---	---	---	---	---	---	---	---	---
Gilchrist	736.25	12	3	1	---	---	---	---	---	---	---
Glades	908.75	18	2	2	---	---	---	---	---	---	---
Gulf	680.00	2	3	1	---	---	---	---	---	---	---
Hamilton	1,234.38	16	---	4	---	---	1	---	---	---	---
Hardee	1,847.50	34	---	5	---	---	---	---	---	---	---
Hendry	1,452.50	23	2	5	---	---	---	---	---	---	---
Hernando	248.75	21	---	---	---	---	---	---	---	---	---
Highlands	375.00	31	---	---	---	---	---	---	---	---	---
Hillsborough	62,116.84	730	11	55	---	9	8	2	---	---	1
Holmes	351.25	34	---	---	---	---	---	---	---	---	---
Indian River	2,118.59	31	4	7	---	---	---	---	---	---	---
Jackson	1,338.75	80	---	---	3	---	---	---	---	---	---
Jefferson	189.50	20	---	---	---	---	---	---	---	---	---
LaFayette	615.00	2	---	4	---	---	---	---	---	---	---
Lake	4,803.72	72	---	15	---	1	---	---	1	---	---
Lee	3,137.50	76	10	---	---	2	---	---	---	---	---
Leon	1,836.25	74	---	---	---	8	---	---	---	---	---
Levy	1,233.75	32	4	---	---	---	---	---	---	---	---
Liberty	63.75	7	---	---	---	---	---	---	---	---	---
Madison	611.25	35	---	---	2	---	---	---	---	---	---
Manatee	1,152.50	92	---	---	1	---	---	---	---	---	---
Marion	5,863.76	113	8	10	---	3	---	---	---	---	---

(Continued on Page Sixteen)

SCHEDULE "B" (Continued)

COUNTY	Total Amount	RETAILERS			WHOLESALEERS			MANUFACTURERS			
		BEER & WINE		LIQUOR	Licenses No. of Beer	Licenses No. of B. & W.	Liquor Licenses No. of B. & W.	Beer No. of Licenses	Wine No. of Licenses	Dist'ls No. of Licenses	Rectifiers No. of Licenses
		Number of Licenses	Pkge Store Number of Licenses	Consumption on Premises No. Licenses							
Martin	1,018.56	32	—	4	—	—	—	—	—	—	—
Monroe	3,810.00	62	—	7	—	—	3	—	—	—	—
Nassau	1,826.25	32	2	7	—	—	—	—	—	—	—
Okaloosa	1,733.13	63	—	4	—	1	—	—	1	—	—
Okeechobee	365.00	16	—	1	—	—	—	—	—	—	—
Orange	19,642.50	203	7	24	—	6	3	—	2	—	—
Osceola	1,668.75	30	3	2	—	1	—	—	—	—	—
Palm Beach	42,040.76	307	15	71	—	7	2	1	—	—	—
Pasco	1,388.76	38	1	3	—	—	—	—	—	—	—
Pinellas	19,596.27	274	13	23	—	2	—	—	1	—	—
Polk	3,821.25	332	—	—	1	—	—	—	—	—	—
Putnam	3,064.29	58	3	6	—	—	—	—	—	—	—
St. Johns	4,336.25	81	2	10	—	1	—	—	—	—	—
St. Lucie	2,377.75	39	—	8	—	2	—	—	—	—	—
Santa Rosa	347.50	37	—	—	—	—	—	—	—	—	—
Sarasota	6,033.33	68	4	17	—	1	—	—	—	—	—
Seminole	2,297.50	69	4	2	—	1	—	—	—	—	—
Sumter	1,192.50	22	4	1	—	—	—	—	—	—	—
Suwannee	1,841.25	29	2	4	—	—	—	—	—	—	—
Taylor	1,782.50	46	1	3	—	—	—	—	—	—	—
Union	75.00	8	—	—	—	—	—	—	—	—	—
Volusia	19,214.14	188	5	31	—	5	1	—	—	—	—
Wakulla	303.75	31	—	—	—	—	—	—	—	—	—
Walton	451.25	43	—	—	—	—	—	—	—	—	—
Washington	182.50	15	—	—	—	—	—	—	—	—	—
ADD.—RAILROADS											
Master Licenses	723.75	—	—	3	—	—	—	—	—	—	—
Certified Copies	62.00	—	—	—	—	—	—	—	—	—	—
ADD.—BOATS											
Master Licenses	300.00	—	—	3	—	—	—	—	—	—	—
Certified Copies	15.00	—	—	—	—	—	—	—	—	—	—
	\$527,627.72	6,426	234	679	16	87	39	8	8	—	2

MALT & VINOUS AND STATE BEVERAGE DEPARTMENT 17

RESUME OF SCHEDULE B-1

LICENSES ISSUED FROM OCTOBER 1, 1935 TO SEPTEMBER 30, 1936,
UNDER CHAPTER 16,774, ACTS OF 1935, KNOWN AS THE
"LIQUOR LAW"

RETAIL TO SELL		No.	Sub Totals	Totals	Amount
Beer in Dry Counties		1,069			\$ 11,880.30
Beer & Wine in Wet Counties		5,359			62,464.36
Total for Beer and Beer & Wine			6,428		
Beer, Wine and Linquor in packages only		234			82,211.26
Beer, wine and liquor in packages and for consumption on premises		679			304,266.55
Total for Beer, wine and liquor			913		
TOTAL RETAIL LICENSES				7,341	\$460,822.47
WHOLESALE TO SELL					
Beer in Dry Counties		16			\$ 2,550.00
Beer & Wine in Wet Counties		87			13,075.00
Total for Beer and Beer & Wine			103		
Beer, Wine and Liquor			39		44,475.00
TOTAL WHOLESALE LICENSES				142	\$60,100.00
MANUFACTURERS OF					
Beer		8			4,968.75
Wine		8			737.50
Rectifiers		2			1,000.00
Total Manufacturers			18	18	\$6,706.25
GRAND TOTAL LICENSES ISSUED				7,501	\$527,628.72
Amount paid by Retailers				\$460,822.47	
Amount paid by Wholesalers				60,100.00	
Amount paid by Manufacturers				6,706.25	
					\$527,628.72

SCHEDULE "C"

TOTAL TAXABLE SALES—IN BOTTLES AND GALLONS—MADE
BY MANUFACTURERS AND WHOLESALERS DURING
THE CALENDAR YEAR 1935.

BEER	Bottles	Gallons	Tax Collected
Under Chapter 15,884, Acts of 1933 called "Old Beer Law" and covering period Jan. 1 to June 25, 1935.	31,084,471	925,587.25	
Under Chapter 16,774, Acts of 1935, called "Liquor Law" and covering period June 26 to Dec. 31, 1935.	45,436,955	694,510.17	
TOTAL FOR BEER	76,521,426	1,620,097.42	\$671,116.54

WINE

Under Chapter 15,884, Acts of 1933 called "Old Beer Law" and covering period Jan. 1 to June 25, 1935.	1,004,546	88,967.14	
Under Chapter 16,774, Acts of 1935, called "Liquor Law" and covering period June 26 to Dec. 31, 1935			
Natural Sparkling Wine		3,924.01	
All Other Wine		210,917.70	
TOTAL FOR WINE	1,004,546	303,808.85	\$ 35,935.89

SPIRITUOUS — containing

less than 14% of alcohol by weight.

Under Chapter 16,774, Acts of 1935 called "Liquor Law" and covering period June 26 to Dec. 31, 1935.	8,339.46	\$ 833.95
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TOTAL EXCISE TAX COLLECTED CALENDAR YEAR 1935.		\$707,886.38
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Comparing sales made during the last 6 months with sales made during the first 6 months of 1935, we find that the sale of bottled beer increased 46% and the sale of keg beer decreased 33%, but sales of all beer increased 29 per cent.

Using the same comparison, we find that the sale of wines increased 14 per cent.

NOTE: Monthly figures not available.

SCHEDULE "D"

TAXABLE SALES IN BOTTLES AND GALLONS OF BEER, WINE AND MIXED DRINKS MADE BY MANUFACTURERS AND WHOLE-SALERS FOR PERIOD BEGINING JANUARY 1, 1936 AND ENDING SEPTEMBER 30, 1936

BEER	Bottled	Gallons	Tax
Under Chapter 16,774, Acts of 1935, called "Liquor Law"	90,122,577	1,032,343.98	\$737,631.67
WINE			
Under Chapter 16,774, Acts of 1935, called "Liquor Law"			
Natural Sparkling		6,656.51	3,314.73
All Other		433,183.87	43,272.93
SPIRITUOUS — Containing			
less than 14% of Alcohol by weight.		20,966.42	2,096.11

TOTAL FOR ABOVE PERIOD

\$786,315.84

Below is given the above sales by Months

BEER

January	7,602,578	132,959.62
February	8,057,634	147,153.87
March	9,188,354	151,857.90
April	9,058,781	111,987.87
May	9,284,615	109,273.00
June	12,891,268	109,933.87
July	10,916,016	89,979.55
August	11,807,254	94,604.87
September	11,316,077	84,593.43
TOTAL	90,122,577	1,032,343.98

WINE & SPIRITUOUS

GALLONS

	Natural Sparkling	All Other	Spirituos less than 14% by weight
	Wine	Wine	
January	2,716.49	56,876.55	1,640.37
February	1,948.61	60,010.90	2,607.00
March	830.36	61,890.57	2,708.85
April	167.16	39,323.08	2,653.59
May	153.33	41,742.99	2,336.03
June	207.42	46,793.95	1,760.56
July	164.24	40,979.51	2,494.35
August	265.00	46,489.40	2,248.09
September	203.90	39,076.92	2,517.58
TOTAL	6,656.51	433,183.87	20,966.42

SCHEDULE "E"

COMPARISON OF BEER, WINE AND SPIRITUOUS (less than 14%) SALES MADE THE FIRST SIX MONTHS OF 1935 AND THE FIRST SIX MONTHS OF 1936..

(Owing to the change in our fiscal year, the above is the only period of time that a true comparison can be made).

BEER	BOTTLES	GALLONS
Sales made first 6 months 1935	31,084,471	925,587.25
Sales made first 6 months 1936	56,083,230	763,162.13
Increase in 1936 over 1935	24,998,759	
Decrease 1936 over 1935		162,425.12
Percentage of Increase	80.4%	
Percentage of Decrease		17.5%

WINE (All kinds)

Sales made first 6 months 1935	214,535.00
Sales made first 6 months 1936	312,661.00
Increase in 1936 over 1935	98,126.00
Percentage of Increase	45.7%

We are unable to compare natural sparkling and still wines separately for reason that the Law did not require them to be reported separately the first six months of 1935. However, the sale of natural sparkling wine (Champagne) during the first six months of 1936, was 6,023.37 gallons.

The above also applies to spirituous beverages containing less than 14% of alcohol by weight (ready mixed Tom Collins, whiskey sours, etc.). There were 13,706.40 gallons of this beverage sold during the first six months of 1936.

SCHEDULE "F"

Statement of payments made for Revenue Stamps purchased from the time the Law became effective to and including September 30, 1936.

AMERICAN DECALCOMANIA COMPANY

DATE

May 27, 1935—2,666,000 @ 90c per 1000		\$ 2,394.00
May 7, 1935—10,235,000 @ \$1.00 per 1000		10,235.00
June 1, 1936—By Warrant	\$ 6,875.50	
July 1, 1936—By Warrant	5,038.00	
July 16, 1936—By Warrant	715.50	
	\$ 12,629.00	\$ 12,629.00

ROSE PRINTING COMPANY

Oct. 1, 1935—7,540,000 @ \$1.00 per 1000	\$ 7,540.00	
Oct. 1, 1935—2,460,000 @ \$1.50 per 1000		3,690.00
June 21, 1936—By Warrant	\$ 11,230.00	
	\$ 11,230.00	\$ 11,230.00

CONSOLIDATED LITHOGRAPHING COMPANY

Jan. 10, 1936—50,000,000 @ \$1.00 per 1000		\$ 50,000.00
Feb. 20, 1936—By Stamps returned	\$ 75.00	
April 1, 1936—By Warrant	8,466.15	
April 1, 1936—By Warrant	3,791.46	
May 1, 1936—By Warrant	4,455.00	
May 1, 1936—By Warrant	14,850.00	
May 1, 1936—By Warrant	4,950.00	
May 1, 1936—By Warrant	4,375.04	
May 1, 1936—By Warrant	3,588.11	
May 1, 1936—Discount allowed	449.24	
Total Credits	\$ 45,000.00	
May 1, 1936—Balance Due	5,000.00	
	\$ 50,000.00	\$ 50,000.00

SCHEDULE "F-1"

STATEMENT OF REVENUE STAMPS PURCHASED, ETC., FROM
THE TIME THE LAW BECAME EFFECTIVE TO AND
INCLUDING SEPTEMBER 30, 1936.

AMERICAN DECALOMANIA COMPANY

	Order	Received
May 27, 1935	12,895,000	
June 14, 1935		2,660,000
June 28, 1935		10,235,000
	<hr/> 12,895,000	<hr/> 12,895,000

ROSE PRINTING COMPANY

Oct. 1, 1935	10,000,000	
No. 1, 1935		2,460,000
Nov. 1, 1935		7,540,000
	<hr/> 10,000,000	<hr/> 10,000,000

CONSOLIDATED LITHOGRAPHING COMPANY

Dec. 18, 1935	50,000,000	
Feb. 20, 1936		420,000
Mar. 17, 1936		310,000
Mar. 30, 1936		3,521,672
Apr. 21, 1936		4,300,000
June 12, 1936		3,829,750
June 15, 1936		4,500,000
July 13, 1936		87,300
July 16, 1936		1,500,000
July 16, 1936		2,391,450
	<hr/> 50,000,000	<hr/> 21,360,172
Balance		28,639,828
	<hr/> 50,000,000	<hr/> 50,000,000

The above balance of 28,639,828 stamps is in storage in the warehouse of Consolidated Lithographing Company in Brooklyn, New York. The Department is in possession of a Surety Bond written by a company authorized to do business in Florida in the amount of \$30,000.00 guaranteeing delivery of these stamps at our pleasure.

SCHEDULE "G"

EXPENSE OF MALT AND VINOUS BEVERAGE DEPARTMENT
UNDER CHAPTER 15,884, ACTS OF 1933, FROM JANUARY 1 TO
JUNE 30, INCLUSIVE 1935, (SIX MONTHS).

OFFICE

Salaries	\$ 6,602.82	
Traveling Expense	807.78	
Equipment	2,298.50	
Supplies	817.62	
Printing	1,320.08	
Postage	629.78	
Telephone	535.76	
Telegraph	232.71	
Rent	271.50	
Bond Premium	1,714.55	
Express	15.55	
Miscellaneous	360.77	\$ 15,607.42

AUDITORS

Salaries	\$ 3,000.00	
Traveling Expense	1,564.47	\$ 4,564.47

SUPERVISORS

Salaries	\$ 11,878.42	
Traveling Expense	12,413.02	\$ 24,291.44

TOTAL FOR SIX MONTHS \$ 44,463.33 (1*)

- (1*) Part of the expense entered in June was paid from the "Beverage Tax Expense Fund" under Chapter 15,884, Acts of 1933 and a part from "State Beverage Department Operating Expense Fund" under Chapter 16,774, Acts of 1935.

SCHEDULE "G-1"

EXPENSE OF STATE BEVERAGE DEPARTMENT UNDER CHAPTER
16,774, ACTS OF 1935 FROM JULY 1 TO DECEMBER 31st
INCLUSIVE 1935 AND FROM JANUARY 1st TO SEP-
TEMBER 30th INCLUSIVE 1936.

OFFICE

Salaries	\$41,463.75	
Traveling Expense	4,948.25	
Equipment	2,371.01	
Supplies	1,749.36	
Printing	6,112.55	
Postage *	1,648.19	
Telephone	2,417.74	
Telegraph	607.51	
Rent (1*)	3,360.00	
Bond Premium	4,430.88	
Tags	162.69	
Car (2*)	2,315.54	
Express	818.99	
General	835.53	
	<hr/>	\$73,241.99

AUDITORS

Salaries	\$8,229.94	
Traveling Expense	5,554.36	
	<hr/>	\$13,784.30

SUPERVISORS

Salaries	\$54,682.65	
Traveling Expense	43,754.20	
Evidence	1,767.11	\$100,203.96 (3*)
	<hr/>	
TOTAL FOR 15 MONTHS		\$187,230.25

(1*) We are compelled to pay rent for reason there is no room in the Capitol Building for us.

(2*) Includes replacement of car.

(3*) Part of the expense entered in July was paid from the "Beverage Tax Expense Fund" under Chapter 15,884, Acts of 1933 and part from "State Beverage Department Operating Expense Fund" under Chapter 16,774, Acts of 1935.

SCHEDULE "H"

STATEMENT OF AMOUNT DUE AND PAID BY DISTRIBUTORS UNDER CHAPTER 15,884, ACTS OF 1933—BEER LAW—mentioned in Paragraph 11 of the body of this report. (Also see Consolidated Financial Statement—Schedule "J").

	Due	Paid	Balance
Florida Sugar Distributors, Inc.	\$39,691.91	\$8,153.81	\$31,538.10
Smith-Richardson & Conroy Inc.	4,272.46		4,272.46
Standard Drug & Sundry Co.	2,349.18	200.00	2,149.18
J. A. Smith, Inc.	1,788.66		1,788.66
Dr. Pepper Bottling Co.-Miami	682.33	82.33	600.00
DeSoto Brewing Co. (1*)	3,009.83		3,009.83
	<hr/> \$51,794.37	<hr/> \$8,436.14	<hr/> \$43,358.23

(1*) This Brewery went into the hands of Receivers and the Bond Company will pay the \$3,009.83 if the Receiver fails to work it out.

The other firms on this Statement are all very reliable, have acknowledged the debt and made arrangements to pay in accordance with a mutual agreement.

SCHEDULE "I"

BEVERAGE VEHICLE TAGS SOLD BY THE DEPARTMENT DURING
PERIOD OF OCTOBER 1, 1935 TO SEPTEMBER 30,
1936 INCLUSIVE

Sub-Section (c) of Section 11, Chapter 16,774, Acts of 1935, requires all vehicles of licensees transporting more than 12 bottles of the beverages defined in the Law to have attached to such vehicle a Beverage Vehicle Tag, which tag shall be furnished by this Department at a cost of One (\$1.00) Dollar for each tag.

The rigid enforcement of this section of the Law resulted in the Department selling 813 tags for the year 1935-1936 and 422 so far for the year 1936-1937 making a total received from sale of tags since the Law became effective of \$1,235.00.

Tags were not required until the fiscal year beginning October 1st, 1935.

SCHEDULE "J"

CONSOLIDATED FINANCIAL STATEMENT

From the time the present Law became effective June 26, 1935 to and including September 30, 1936.

RECEIPTS

From Sales of Stamps	\$ 1,728,195.37	
Beer Licenses	95,656.29	
Liquor Licenses	430,987.68	
Excise Tax—Beer and Wine Under Chapter 16,774, Acts 1935	1,093,159.00	
Excise Tax—Beer and Wine Under Chapter 15,884, Acts 1933	8,436.14	
Sale Vehicle Tags	1,235.00	
TOTAL RECEIPTS		\$ 3,357,669.48

DISBURSEMENTS

To General Revenue Fund	\$ 3,023,761.25	
To General Revenue Fund from Operating Expense Fund (1*)	4,423.41	
TOTAL TO GENERAL REVENUE FUND	\$ 3,028,184.66	
To Beverage Tax Expense Fund (2*)	8,436.14	
To Beverage Operating Expense Fund	262,935.76	

LESS:

Transferred to General Revenue Fund	\$ 4,423.41	
Bal. on hand	11,330.58	
Cost of Stamps purchased	68,334.76	
LESS TOTAL	84,088.75	
		\$ 178,847.01

OPERATING EXPENSE

Purchase of Stamps	68,334.76	
Refund for Stamps mutilated, etc. (3*)	11,870.44	
TOTAL DISBURSEMENTS		\$ 3,295,673.01
BALANCE		\$ 61,996.47

SCHEDULE "J" (Continued)

Balance in Operating Expense Fund	\$ 11,330.58
Undistributed	50,665.89
	<hr/>
	\$ 61,996.47

Operating Expense equals 5.3% of Collections.

Purchase Price of Stamps equals 2.1% of Collections.

TOTAL EXPENDITURES 7.4% of Collections.

- (1*) Unexpended balance of 8% of Collections for first year which the Law says must be placed in General Revenue Fund. Transferred by warrant No. 85531, payable to W. V. Knott, State Treasurer.
- (2*) Collections under "Old Beer" Law, which goes to the State School Fund through "Beverage Tax Expense Fund" for distribution to County Schools. The Department did not take 8% of this collection for expenses.
- (3*) Authorized by Section 10 of Chapter 16,774, Acts of 1935.

SCHEDULE "K"

ESTIMATE, BASED ON STAMPS SOLD, OF SPIRITUOUS BEVERAGES CONTAINING MORE THAN 14% OF ALCOHOL BY WEIGHT SOLD BY FLORIDA DISTRIBUTORS AND MANUFACTURERS FROM JUNE 26, 1935 TO SEPTEMBER 30, 1936, INCLUSIVE—
FIFTEEN MONTHS

The Law requires an inspection fee of 24c per case, the payment of which is evidenced by attaching Revenue stamps to the case, on all liquor sold for resale or consumption outside of Florida.

During the above period there were \$94,272.64 worth of Inspection Stamps sold, which represents a gallonage of 1,178,408

The Law also requires Revenue Stamps at the rate of .80c per wine gallon to be placed on the immediate container of all such liquor sold for resale or consumption in Florida. There were \$1,533,922.73 worth of these stamps sold which represents a gallonage of 1,917,403

Which represents total sales by Florida Manufacturers and Distributors of 3,095,811 Gallons

NOTE: Records are now being kept that will permit us to show actual gallons sold both in and out of the State.

In reaching the above figures it is estimated that there are \$100,000.00 worth of Stamps on the stock of liquor held by retailers.

SCHEDULE "L"

All cases pertaining to the manufacture and sale of "Moonshine" liquor are turned over to Federal Authorities, with whom we work on such cases when possible.

ILLEGAL MANUFACTURE

Number of Stills destroyed	170	
Number of arrests made	139	
Gallons of "Moonshine" destroyed	4,242	
Gallons of "Mash" destroyed	72,341	
Automobiles and trucks confiscated	24	
Each gallon of "Mash" makes a tenth of a gallon of "Moonshine," therefore, the potential "Shine" destroyed in the form of "Mash" is	7,234	Gallons

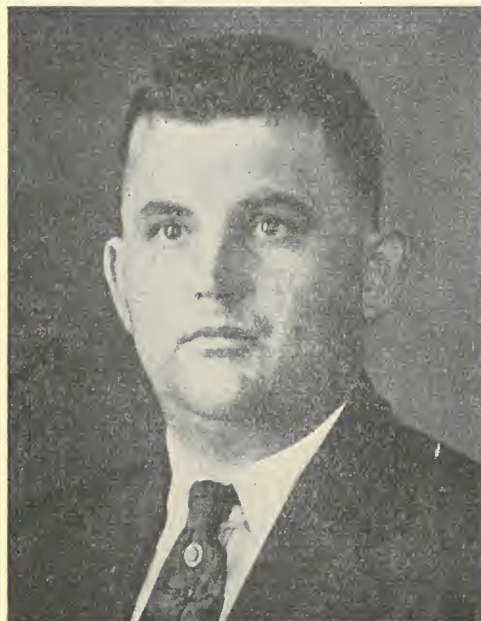
SELLING WITHOUT LICENSE

Number of arrests for "Bootlegging"	261	
Fines Collected (Does not include costs)		\$ 5,219.80
Pending cases under total bonds of		63,455.00

The above does not include "First Offenders" who had a business other than "Bootlegging" that were released upon their purchasing a license.

Over 80% of all State cases that went to trial were convicted, however, in a majority of cases, the penalty has been light. This condition is improving.

It is practically impossible to tabulate the results of enforcement efforts in connection with the payment of license and excise tax, employing minors, selling on Sunday (outside incorporated cities and towns), operating disorderly places, etc., however, these matters are given close attention at all times.



SUPERVISOR

JOHN W. MORGAN

**Served From June 20, 1935 To
July 11, 1936.**

**Shot and Killed From Ambush
While Performing His Duty For
The State**